

However, Stevens and Sam Scott decided to raise money outside the university. A modest fundraising campaign was undertaken and a separate FM fund was established. KCUR-FM was in its conception and continues to be a community station.

In 1970, KCUR was awarded a grant of \$7,500 from the Corporation for Public Broadcasting for Community Service. National Public Radio broadcasts began the next year with KCUR as a charter member.

After Sam Scott retired in 1986, the station was without a General Manager for a year while Jim Costin, UMKC Associate Vice Chancellor oversaw the station. Patricia Cahill, a former KCUR reporter in the early 1970s, was hired in 1987 as General Manager, and she holds the position today.

In the 1960s, the Kansas City Times stated, "In the community, (KCUR) it is a source of education, culture and pleasure." And those words still ring true today. I certainly know this firsthand. It is my radio station of choice, and this fact was never so clear, as well as my bias towards it, as when I had my daily radio show, *Under the Clock*, broadcast on its airwaves. Innovative programs, local heavy weights, and our community are their programming.

Madam Speaker, I rise today with the gentleman from Kansas, Congressman DENNIS MOORE, and we are proud to share with you and the membership of this House our heartfelt congratulations and appreciation for KCUR's many outstanding benefits to our community, as we approach the 50th anniversary of this treasure in our community.

CHILDREN'S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007

SPEECH OF

HON. BETTY MCCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 2007

Ms. MCCOLLUM of Minnesota. Madam Speaker, I rise today to express my strong support for the State Children's Health Insurance Program Reauthorization Act to provide health care coverage for an additional 3.8 million children.

The Children's Health Insurance Program (CHIP) plays an important role in providing quality, cost-effective health care coverage for millions of lower-income children around the country. It costs less than \$3.50 a day to provide health care for a child through CHIP. This small investment keeps kids and families healthy and saves money in the long-run. However, without action from Congress, the law authorizing funding for this important program will expire at the end of September. For this reason, it is essential for Congress and the President to put politics aside to renew this critical, bi-partisan program.

This legislation reauthorizes CHIP and includes an additional \$35 billion for children's health care. This funding is to enroll children throughout our nation who are eligible, but not currently enrolled in CHIP or Medicaid, and to improve the benefits available by adding a guaranteed dental benefit for all children enrolled in CHIP and parity for mental health coverage.

Investing in our children's health care must be a priority for Congress. All Americans—Republicans, Democrats, and Independents—should be able to agree that our children deserve access to quality health care. It is morally right, it is the right thing for our economy and in the richest country in the world—it is possible. I urge my colleagues to join me in voting for this important bill.

INTRODUCTION OF THE INTERNET TAX FREEDOM ACT AMENDMENTS ACT OF 2007

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 2007

Mr. CONYERS. Madam Speaker, I rise today to introduce the Internet Tax Freedom Act Amendments Act of 2007. This bipartisan legislation will amend the Internet Tax Freedom Act (ITFA) to extend the moratorium on certain taxes relating to the Internet and to electronic commerce and to address growing concerns as innovation occurs.

I am pleased to say that working together, we have come to an agreement on a definition of Internet access that is clear, precise, and on target. It says that Internet access is a service that enables a user to connect to the Internet. This definition would include incidental services like e-mail and would maintain a lot of the telecommunications language—even going so far as to clarify it—from the last extension of the moratorium in 2004. This definition would further make it explicit that just because a service uses the Internet does not mean that that service had become part of the moratorium.

LENGTH OF THE EXTENSION

This Act would extend the moratorium for 4 years, to run until November 1, 2011. The 4-year extension will allow Congress to make any adjustments to the moratorium if necessary. It will also allow companies a sufficient amount of time to plan their investments, while also giving consumers tax free access to the Internet. Congress has made important adjustments on each previous occasion that we extended the moratorium, in 2001, and again in 2004.

GRANDFATHERING

This Act would extend for 4 years, the grandfather provisions which have preserved those Internet access taxes that were imposed prior to 1998. This is consistent with past extensions.

This Act also phases out those states that claim to be grandfathered as a result of the Internet Tax Nondiscrimination Act of 2004. The 2004 Act provided for an amended definition of Internet access and resulted in assertions and public rulings made by many states requiring the collection of tax on sales of telecommunications to an Internet service provider to provide Internet access. This is because those states have interpreted the 2004 definition of "Internet access" to broaden the scope of the 1998 grandfather clause to permit taxation on the sales of telecommunications to an Internet service provider to provide Internet access. This Act resolves this problem by allowing those states that have issued public rulings before July 1, 2007 that are inconsistent with the foregoing rules to be held harmless until November 1, 2007.

GROSS RECEIPTS TAX ISSUES IN CERTAIN STATES

A small group of states have recently enacted taxes that apply to almost all large businesses in the state—including Internet access providers. The new gross receipts taxes in these states serve as general business taxes and either substitute for or supplement the corporate income tax currently in place in those states, whereas in all other states, corporate income taxes serve as the general business tax.

The problem is that the originally enacted and further amended Internet Tax Freedom Act (ITFA) contains an explicit protection for corporate income taxes imposed on Internet access providers, but not for gross receipts taxes. Thus, these select states would suffer a disproportionate loss because while the other states with corporate profits taxes are explicitly allowed to impose them on profits that they gain by providing Internet access services, there is no similar protection in ITFA for the type of general business taxes that are levied by the select states, because they are being levied on gross revenues or receipts, and are not covered in ITFA.

The result is that an Internet access provider could potentially decide not to pay the tax on its receipts attributable to providing Internet access service in those select states. Thus, if the provider companies decided to stop paying on its access service, the wording of ITFA suggests that a court would likely support their position that these gross receipts are not taxable—and the states would lose out on millions in revenues.

This Act resolves this dilemma by creating an exemption for states that have enacted laws that would structure their gross receipts taxes in such a way as to be a substitute for state corporate income taxes that are not taxes on Internet access. To be exempt the state law must have been enacted between June 30, 2005 and November 1, 2007, and must impose such taxes on at least 80 percent of business enterprises engaged in business in the state without regard to (a) the form of organization; (b) business activity in which such enterprise is engaged; (c) minimum filing thresholds; or (d) whether such business actually incurs a filing and payment obligation.

DEFINITION OF "INTERNET ACCESS"

After close examination of the many concerns with the definition of "Internet access" in current law, we have agreed on a precise definition of "Internet access". The proposed definition will accomplish the following:

1. Prevent all tax-exempt content bundling by redefining Internet access as the service of providing a connection to the Internet, with closely-related Internet communications services such as e-mail and instant messaging;
2. Amend the definition of "telecommunications" to include unregulated/non-utility telecommunications (such as cable service); and
3. Remove the current exception for taxing Voice over Internet Protocol (VoIP), so that states and localities will be free to tax these services.

I am hopeful that Congress can move quickly to enact this worthwhile and timely legislation.